Message Text

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INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-05 H-01 INR-10 L-03 NSAE-00 NSC-05 PA-01 SP-02 SS-15 ICA-11 TRSE-00 MCT-01 /067 W

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R 221830Z MAY 78
FM AMEMBASSY ROME
TO SECSTATE WASHDC 2985
INFO AMCONSUL FLORENCE
AMCONSUL GENOA
AMCONSUL MILAN
AMCONSUL NAPLES
AMCONSUL PALERMO

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E.O. 11652: XGDS-1 TAGS: PINT, IT, US

SUBJECT: MEETING WITH GO. BENEDETTO CRAXI

SUMMARY. DURING A MAY 19 MEETING, ITALIAN SOCIALIST PARTY (PSI) SECRETARY BENEDETTO CRAXI EXPRESSED HIS SATISFACTION WITH HIS PARTY'S SHOWING IN THE RECENT LOCAL ELECTIONS AND NOTED THE NEW COURSE UPON WHICH THE PSI HAS EMBARKED IN THE WAKE OF ITS RECENT CONGRESS. HE BELIEVES THAT THE ITALIAN COMMUNIST PARTY (PCI) IS CAUGHT IN A FUNDA-MENTAL DILEMMA, AND THAT HARDLINERS WITHIN THE PARTY ARE ON THE ASCENDENCY. CRAXI PREDICTS THAT NATIONAL ELECTIONS WILL PROBABLY TAKE PLACE IN THE SPRING OF 1979, AND HE INTENDS TO SPEND THE NEXT YEAR PREPARING HIS PARTY FOR THIS CONTEST IN WHICH HE HOPES TO SEE FURTHER SUCCESSES FOR THE PSI. THE PSI SECRETARY FORESEES THE POSSIBILITY OF THE FORMATION OF A NEW COALITION BETWEEN THE CHRISTIAN DEMOCRATS (DC) AND LAY PARTIES, INCLUDING THE PSI, FOLLOWING THESE ELECTIONS. CRAXI SUGGESTED THAT THE AUTUMN WOULD BE A CONVENIENT TIME FOR HIM TO VISIT THE CONFIDENTIAL.

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UNITED STATES, AND HE AGREED TO PROCEED NOW IN ORGANIZING A U.S. VISIT BY A GROUP OF FOUR OR FIVE SOCIALIST PARLIAMENTARIANS. ON RED BRIGADES, CRAXI THINKS THEY ARE A HOME-GROWN PHENOMENON ALTHOUGH HE DOES NOT RULE OUT THE POSSIBILITY THAT THEY HAVE RECEIVED FOREIGN TRAINING. END SUMMARY

- 1. I HAD AN EXTREMELY FRIENDLY, WIDE-RANGING DISCUSSION ON MAY 19 WITH PSI SECRETARY BENEDETTMECRAXI. FOLLOWING ARE THE HIGHLIGHTS.
- 2. AS COULD BE EXPECTED, CRAXI IS GREATLY ENCOURAGED BY THE RESULTS OF HIS PARTY CONGRESSS AND BY THE OUTCOME OF THE RECENT LOCAL ELECTIONS. THE PARTY CONGRESS, HE SAYS, SET THE PSI ON A TOTALLY NEW COURSE AND GAVE HIM FULL CONTROL, WHICH HE WILL USE TO RESHAPE THE PARTY FURTHER IN THE MONTHS AHEAD. ELECTIONS, WHILE OBVIOUSLY AFFECTED BY EMOTIONS SURROUNDING MORO'S MURDER, IN HIS VIEW HAVE LONGER-TERM SIGNIFICANCE, DEMONSTRATING WEAKNESSES INHERENT IN THE PCI POSITION AND LATENT POPULAR SUPPORT FOR A NON-COMMUNIST PROGRESSIVE ALTERNATIVE TO THE DC. HE BELIEVES THAT IF THE NEXT YEAR IS USED PROPERLY, BY THE PSI AND THE OTHER NON-COMMUNIST PARTIES, THE FAVORABLE RESULTS OF THE RECENT ELECTION CANNOT ONLY BE DUPLICATED AT THE NATIONAL LEVEL BUT POSSIBLY EVEN EXTENDED INTO DEEP REVERSES FOR THE PCI.
- 3. IN CRAXI'S VIEW, THE PCI IS CAUGHT IN A FUNDAMENTAL DILEMMA IF IT SEEKS TO EVOLVE TOWARD SOCIAL-DEMOCRACY. IT WILL LOSE ON ITS LEFT AND ELIMINATE MUCH OF ITS BASE. IF IT REVERSES ITS DIRECTION AND MOVES BACK TOWARD STALINISM, IT WILL LOSE ON ITS RIGHT, IN WHICH CASE THE MAIN BENEFICIARY WILL BE PSI. ACTUALLY, HE IS CONVINCED CONFIDENTIAL.

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THAT IN THE PAST YEAR. THE PROGRESSIVE EVOLUTION OF THE PARTY HAS NOT ONLY BEEN SLOWED BUT REVERSED, WITH HARD-LINERS INCREASINGLY CLOSING IN ON BERLINGUER AND REDUCING HIS FREEDOM OF MANEUVER. HE EVEN FEELS THAT BERLINGUER IS A PRISONER OF A HOSTILE MAJORITY IN THE CENTRAL COMMITTEE WHICH DOES NOT TRUST HIM AND MERELY USES HIM FOR ELECTORAL PURPOSES. (AS AN EXAMPLE OF BERLINGUER'S WEAKENED POSITION, HE SAID AT A RECENT MEETING THAT BERLINGUER WAS ACCOMPANIED BY OTHER PCI LEADERS, WHICH SEEMS TO SUGGEST HTAT HE NO LONGER HAS FREEDOM OF INDIVIDUAL ACTION.) HE FURTHER BELIEVES THAT THE HARDENING OF THE PCI POSITION LAST YEAR IS DUE IN LARGE PART TO STRONG SOVIET INTERVENTION AND PRESSURE. CRAXI SAID QUOTE THE PCI HAS NOT KNOWN HOW TO USE ITS JUNE 1976 ELECTION VICTORY. IF IT HAD MOVED COURAGEOUSLY TO TAKE A REALLY INDEPENDENT LINE FROM MOSCOW, IT COULD HAVE PUT ITSELF INTO A POSITION TO ENTER THE GOVERNMENT AND BE THE MAJORITY PARTY, BUT IT HAS LOST ITS OPPORTUNITY. END QUOTE.

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4. DESPITE THESE POSITIVE DEVELOPMENTS, CRAXI IS DEEPLY TROUBLED AT WHAT HE CALLS QUOTE THE VERY REAL QUESTION OF COMMUNIST HEGEMONY END QUOTE, BY WHICH HE MEANS COMMUNIST INFILTRATION OF NEWSPAPERS, TELEVISION, UNIVERSITIES, BANKS, STATE ENTERPRISES, ETC. HE FEELS A WEAKENED AND DIVIDED DC HAS BEEN GIVING TOO MUCH AWAY TO THE PCI BY WAY OF SUCH APPOINTMENTS. AS A EXAMPLE, HE SAID THE VICE DIRECTOR GENERAL OF THE BANK OF ITALY (PRESUMABLY REFERENCE TO SARCINELLI) WAS A QUOTE PCI MAN END QUOTE. HE INTENDS TO BE VERY TOUGH WITH THE DC IN PROTESTING SUCH APPOINTMENTS IN FUTURE MONTHS.

5. IN THIS CONNECTION, I RAISED THE QUESTION OF THE SECOND GOVERNMENT TELEVISION NETWORK, IN WHICH NOT ONLY PCI BUT PSI MEMBERS HAD BEEN RESPONSIBLE FOR A INCREASINGLY LEFTIST MARXISM AND ANTI-AMERICAN TONE. CRAXI FULLY AGREED WITH MY CONCERNS, AND EXPLAINED THAT THE PSI PEOPLE IN RAI'S TOP STRUCTURE HAD BEEN APPOINTED IN THE DE MARTINO ERA, AND THAT HE INTENDED TO REPLACE THEM WITH HIS OWN MORE MODERATE PEOPLE AS SOON AS POSSIBLE. CONFIDENTIAL

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HE ALSO INDICATED THAT HE WOULD CHANGE THE CHARACTER OF AVANTI, THE PSI'S DAILY NEWSPAPER, IN A MORE MODERATE

DIRECTION, GETTING RID OF CORRESPONDENTS LIKE PATRICIA LOMBROSO, WHOSE ANTI-AMERICAN AND INACCURATE CORRESPONDENCE FROM THE UNITED STATES I TOOK THE OCCASION TO MENTION.

6. CRAXI STATED CATEGORICALLY THAT HE HAD NO INTEREST IN CHANGING THE PRESENT GOVERNMENT FORMULA BECAUSE HE NEEDS ONE YEAR TO PREPARE FOR NATIONAL ELECTIONS WHICH HE HOPES WILL CONSOLIDATE EVEN FURTHER HIS RECENT GAINS. HE SAYS HE NEEDS BIG MONEY TO FINANCE THIS CAMPAIGN. AND UPON BEING INFORMED BY ME ONCE AGAIN THAT THE AMERICAN GOVERNMENT WAS NOT IN THE BUSINESS OF FINANCING ITALIAN PARTIES OR PERSONALITIES, SHRUGGED AND SAID HE WOULD FIND THE MONEY SOME WAY, EITHER FROM DOMESTIC ITALIAN SOURCES OR FROM OVERSEAS FRIENDS, OR SOME COMBINATION OF THE TWO. FOLLOWING THE NEXT NATIONAL ELECTION, WHICH HE THINKS WILL PROBABLY OCCUR IN THE SPRING OF 1979, HE BELIEVES THAT HIS PARTY WILL JOIN IN A GOVERNING COALITION WITH THE DC AND LAY PARTIES, ALTHOUGH HE SHOWED HIS BITTERNESS TOWARD REPUBLICAN PARTY PRESIDENT UGO LA MALFA BY SUGGESTING THAT HE DIDN'T CARE WHETHER THE REPUBLICANS WERE INCLUDED OR NOT. AS TO THE PCI. HE SAID IT WAS UP TO THEM WHETHER THEY WANTED TO BE IN THE OPPOSITION OR SUPPORT SUCH A NEW GOVERNMENT ALLIANCE IN PARLIAMENT.

7. I TOOK THE OCCASION TO STATE ONCE AGAIN US
POLICY TOWARD ITALY AND PARTICULARLY EXPLAIN THE BACKGROUND
OF OUR JANUARY 12 STATEMENT. SIGNIFICANTLY, WHEN I NOTED
IN PASSING THAT THE STATEMENT HAD STIRRED UP SOME
OPPOSITION, CRAXI SMILED AND SAID QUOTE YOU NOTE THAT I
WAS VERY PRUDENT END QUOTE. THE TENOR OF HIS REMARKS
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AT THIS POINT STRONGLY INDICATED TO ME (ALTHOUGH HE DID NOT SAY THIS EXPLICITLY) THAT HE SUPPORTS THE US POSITION OC PCI AND FINDS IT FAVORABLE TO HIS OWN PURPOSES.

8. WHEN I RAISED THE SUBJECT OF A POSSIBLE CRAXI VISIT TO US, HE INDICATED THAT THE AUTUMN WOULD BE BETTER TIME THAN NOW, AND DISPLAYED FULL UNDERSTANDING WHEN I INDICATED THAT PRESIDENT CARTER COULD NOT SEE HIM, BUT THAT I WOULD DO MY BEST TO ENCOURAGE APPOINTMENTS WITH VICE PRESIDENT, SECRETARY OF STATE, DR. BRZEZINSKI, AMONG OTHERS. ON THE LONG-STANDING PROPOSAL OF A US VISIT BY FOUR OR FIVE PSI PARLIAMENTARIANS, CRAXI ENTHUSIASTICALLY AGREED THIS SHOULD BE ARRANGED NOW, AND HE PROMISED TO PROVIDE NAMES AND DATES AS SOON AS POSSIBLE.

9. ON RED BRIGADES, CRAXI BELIEVES THEY ARE ESSENTIALLY A HOME-GROWN ITALIAN PHENOMENON, BUT THAT THEY PROBABLY

HAVE RECEIVED TRAINING IN CZECHOSLOVAKIA OR POSSIBLY FROM PALESTINIAN EXTREMISTS. HE ALSO CITED AS SIGNIFICANT THE STATEMENT OF FRATE MITRA (INFILTRATOR OF RED BRIGADES), THAT THE KEY THAT OPENED THE DOOR TO HIS RELATIONSHIP WITH RED BRIGADES WAS HIS PRIOR ACTIVITIES WITH THE CUBANS IN LATIN AMERICA. HE AGREED THAT THEORIES OF WESTERN INVOLVEMENT WERE NOT CREDIBLE, BUT INDICATED THEY ARE WIDELY HELD. GARDNER

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Subject: MEETING WITH GO. BENEDETTO CRAXI SUMMARY. DURING A MAY 19 MEETING, ITALIAN SOCIALIST PARTY (PSI) SECRETARY

BENEDETTO CRAXI EXPRESSED HIS SATI TAGS: PINT, IT, US, PSI, (CRAXI, BENEDETTO) To: STATE

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